

Celebrating Jewish Community



Investing for the Long Term



Jay Spivak
Investment Committee Chair

The Jewish Community Foundation's top priority is stewardship of your charitable funds.

The Jewish Community Foundation of Greater Hartford (JCF) takes seriously its legal and moral responsibility to protect and grow assets for our community today and for generations to come. JCF fulfills this responsibility with guidance from its Investment Committee assisted by Crewcial Partners, an independent consulting firm. Together, we craft and implement an investment policy.

The investment assets are managed in a commingled investment pool. JCF uses a long-term investment horizon to maximize grantmaking to address current needs, while protecting long-term purchasing power for grantmaking in perpetuity.

Diversification is one key factor in a healthy long-term investment strategy. The portfolio includes domestic and global equity and fixed income positions, as well as alternative investments, including private equity, venture capital, private credit, and emerging markets. This diverse mix can tolerate short- and intermediate-term volatility with the intent of generating higher returns over the long term. As a result, JCF has met or outperformed its targets and benchmarks over the last three, five, ten and fifteen years (see Investment Performance graph on page 3).

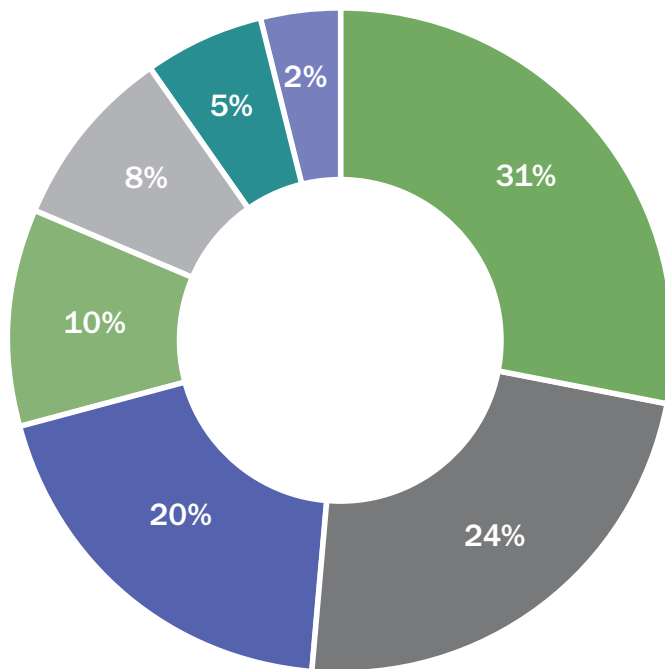
JCF utilizes a spending policy that determines the amount that will be available for making grants to organizations while supporting JCF's operating budget. Annual spending is based on a percentage of the average value of funds over the previous 20 quarters, subject to a 4% floor and 5.5% ceiling of current fair market value at June 30th of the previous fiscal year. Ultimately, this ensures that JCF's charitable funds will be protected for future community investments while continuing to allocate funds to organizations today that strengthen Greater Hartford's Jewish community.

We hope you enjoy reading JCF's new Financial Report, which is a supplemental publication to its FY23 Impact Report.

Thank you for choosing JCF as your charitable investment partner.

Asset Allocation

As of June 30, 2023



The total portfolio is based on a strategic asset allocation, benchmarked using suitable market indices to represent each asset class.

■ Domestic Equity	31%
■ International Equity	24%
■ Fixed Income	20%
■ Special Opportunities	10%
■ Private Equity	8%
■ Real Assets	5%
■ Cash	2%
Total	100%

Diversification is one key factor in a healthy long-term investment strategy.

JCF has met or outperformed its targets and benchmarks over the last three, five, ten and fifteen years.

Investment Performance

as of June 30, 2023

	1 YEAR	3 YEAR	5 YEAR	10 YEAR	15 YEAR
Total Managed Portfolio (annualized returns, net of investment fees)	9.0%	9.1%	6.3%	7.0%	6.3%
COMPARISON					
Custom Benchmark*	12.0%	8.8%	6.3%	7.0%	6.2%
60% MSCI AC World/40% Bloomberg U.S. Aggregate	9.4%	5.0%	5.4%	6.0%	5.4%

*JCF's custom benchmark is composed of: 9% Bloomberg US Aggregate, 26% S&P 500, 8% Russell Mid Cap, 8% Russell 2000, 10% MSCI AC World, 19% MSCI EAFE, 5% MSCI EM, 4% FTSE WGBI, 5% Bloomberg Commodity Index, 3% Bloomberg US TIPS, and 3% 90 Day T-bills.

Investing for Maximum Impact



Elysa Graber-Lipperman
Budget & Finance Committee Chair

JCF's Budget and Finance Committee, together with JCF's staff and Trustees, takes careful steps to ensure that operating expenses are kept as low as possible, while providing outstanding service to our constituents every day. In recent years, JCF has conservatively grown its operating reserve, which can be used during economic downturns or for emergencies at the Board's discretion.

JCF's administrative fees provide the ability to continuously support Greater Hartford's Jewish community through its grant making and community-building activities. JCF's assets include a balanced mix of fund types:

- 29% Designated and Donor Restricted Funds
- 29% Donor Advised Funds
- 24% Unrestricted Funds
- 18% Custodial Funds

This mix offers a healthy unrestricted fund pool, which allows JCF to provide immediate grants for emergencies and have money available to support evolving community needs.

Generous, community-minded donors have entrusted their philanthropy to JCF. The large increase in gifts and bequests in FY22 (shown in the Summary Financial Results on page 5) demonstrates both the importance and impact legacy giving has on JCF's financial position. In FY23, JCF made more than \$5 million in grants and other distributions, which is a ten-year high.

While JCF's assets are subject to market fluctuations, its grantmaking has shown stability and growth, further demonstrating the long-term impact of investing in a diversified portfolio.

Together, we can continue to build a strong, vibrant future for Greater Hartford's Jewish community forever.

Summary Financial Results

For the Fiscal Years Ended June 30, 2023 and 2022

	2023	2022
ASSETS		
Investments and Cash	\$ 166,701,000	\$ 154,992,000
Contributions Receivable and Other Assets	475,000	1,335,000
TOTAL ASSETS	\$ 167,176,000	\$ 156,327,000
LIABILITIES AND NET ASSETS		
Grants Payable and Other Liabilities	\$ 871,000	\$ 1,105,000
Custodial Funds Managed for Other Organizations	29,955,000	27,605,000
TOTAL LIABILITIES	30,826,000	28,710,000
Net Assets:		
Unrestricted Funds	39,160,000	36,899,000
Donor Advised Funds	48,619,000	45,675,000
Designated and Donor Restricted Funds	48,571,000	45,043,000
TOTAL NET ASSETS	136,350,000	127,617,000
TOTAL LIABILITIES AND NET ASSETS	\$ 167,176,000	\$ 156,327,000
PUBLIC SUPPORT AND REVENUES		
Gifts and Bequests	\$ 4,008,000	\$ 10,459,000
Net Investment Return	11,414,000	(19,404,000)
Other Revenues	328,000	288,000
TOTAL PUBLIC SUPPORT AND REVENUES	15,750,000	(8,657,000)
GRANTS AND EXPENSES		
Grants	4,820,000	4,521,000
Operating Expenses	1,980,000	1,833,000
Other Distributions	217,000	—
TOTAL GRANTS AND EXPENSES	7,017,000	6,354,000
INCREASE (DECREASE) IN NET ASSETS	8,733,000	(15,011,000)
Net Assets — Beginning of Year	127,617,000	142,628,000
Net Assets — End of Year	\$ 136,350,000	\$ 127,617,000



Adam P. Cohen
Audit Committee Chair

We are pleased to present JCF's Summary Financial Results for the years ended June 30, 2023 and 2022. This summary is derived from the audited financial statements, which are available at jcfhartford.org. JCF's financial statements are prepared by its Finance Department led by Laura Whitney, JCF's Chief Financial Officer. JCF's volunteer Audit Committee supervises and meets with the independent accountants CohnReznick in their planning and completion of the annual audit.

Q&A with Michael Miller



Michael Miller
Crewcial Partners
Chief Investment Officer

Why is endowment giving so important for communities?

Endowment giving brings with it the power of extended impact as these funds serve both current and future philanthropic interests. Combining long-term philanthropic and investment strategies allows the power of higher compound returns to significantly increase the level of long-term support for a donor's giving strategy.

How do you measure the success of a community foundation?

Community foundations play many essential roles. One is to provide donors with the ability to optimize the impact of their giving through knowledge of the non-profit landscape. Another is to invest donor capital effectively to expand the dollars available for grantmaking. Success is therefore best measured via a combination of grant activity plus asset growth of the funds. The strongest community foundations demonstrate extended periods of strength in both areas.

What inspires you to work with community foundations?

I've had the privilege to work with community foundations for just over three decades and have marveled at their impact. The power of combining philanthropic and investment expertise is truly amazing and I've been driven and inspired to deliver on the investment side of the equation. Investment decisions can be complex and difficult, but the right action is easier to ascertain when thinking about the long-term power of endowment and impact. This is what the best community foundations are all about, and I find it deeply gratifying to play a role in these outcomes.

JCF Committees

JCF is thankful to the following committee members who support Jewish philanthropy and volunteer their time and expert counsel to support its budget, finance and audit initiatives.

Audit

Adam P. Cohen, Chair
Ethan H. Goldman♦
Elysa Graber-Lipperman, ex officio♦
Adam S. Greene
Michele Kostin
Gayle W. Temkin, ex officio♦
Raymond S. Weinstein

Budget & Finance

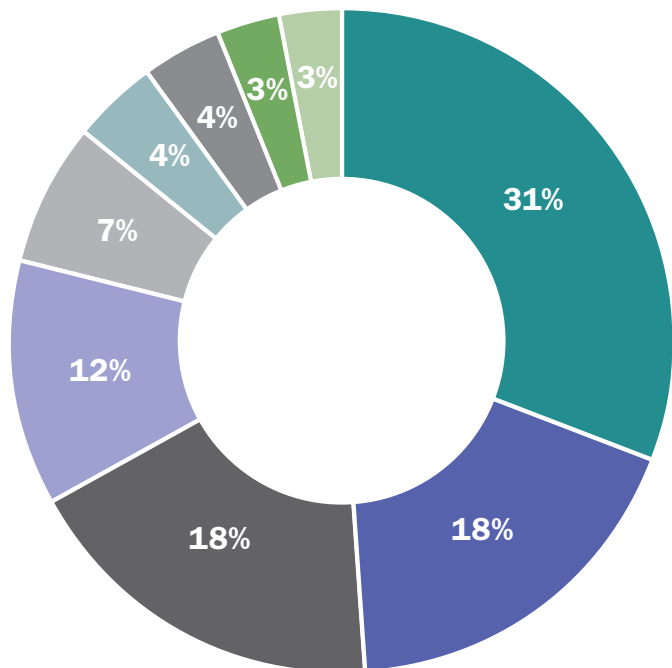
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Alan Mendelson
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David Roth
Gayle W. Temkin, ex officio♦

FY23 Grants

Investing for Community Impact



JCF's grants — made possible through the generosity of its donors — have the power to change lives, spur innovation and meet critical needs in the Jewish and general communities.

■ Community Building	\$1,510,000
■ Human Services & Health	879,000
■ Education	866,000
■ Religious and Spiritual Development	568,000
■ Other	313,000
■ Outreach	212,000
■ Seniors	174,000
■ Arts & Culture	168,000
■ Israel & Overseas	130,000
Total	\$4,820,000

We're here to help you give according to your Jewish values.

***Contact Kathryn Gonnerman, Vice President of Philanthropy,
kgonnerman@jcfhartford.org or 860-523-7460.***



JEWISH COMMUNITY FOUNDATION
OF GREATER HARTFORD

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Jewish.
Community.
Forever.

